GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:486
ANSWERED ON:28.02.2008
AUSTERITY MEASURES IN AVIATION SECTOR
Appadurai Shri M.

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Air India and Indian Airlines propose to introduce Air Tickets at lower rates to compete with private airlines;

(b) if so, the details thereof;

(c) whether the Government proposes to increase the efficiency of the Airlines staff and austerity measures to curb the waste expenditure to increase profitin the aviation sector; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION(SHRI PRAFUL PATEL)

(a) and (b) :As per industry practice and depending on factors such as demand/supply, seasonality, extent of competition and product features like frequency, timings, direct / indirect operations etc. Air India offers low levels of fares under multiple classes. These Easy fares,Apex fares etc. are available round the year. Special Promotional Schemes/offers are also introduced periodically to attract passengers.

(c) and (d) :The merger of erstwhile Air India and Indian Airlines Limited has been effected with a view to augmenting revenues and curtailing costs significantly.The management of Air India has entered into Wage agreements with various Unions which would result in abolition of restrictive and unproductive work practices as well as redundant allowances.The airline has also undertaken other cost-cutting measures like fuel conservation, re-deployment of capacity and other productivity enhancement measures.